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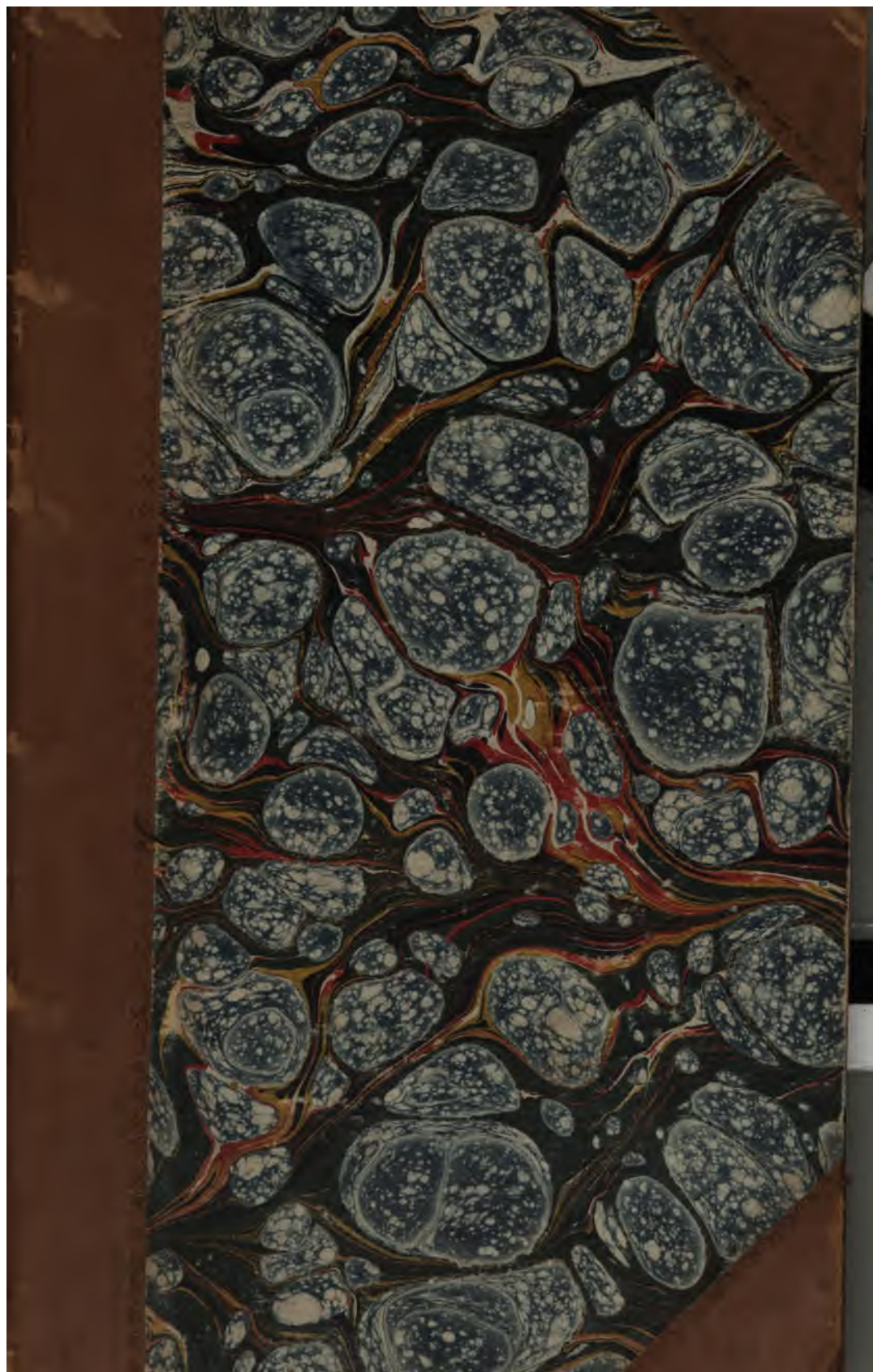
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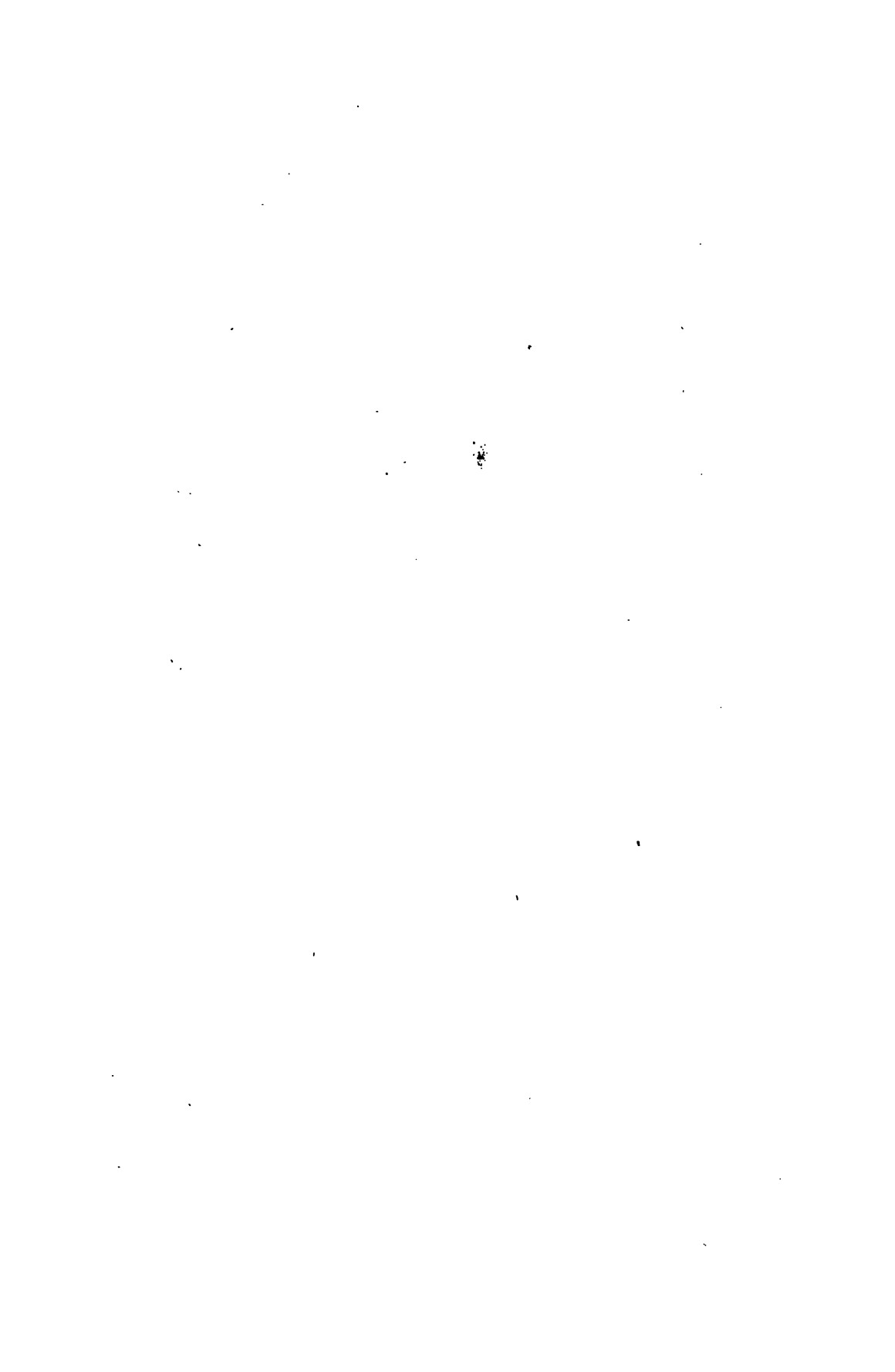
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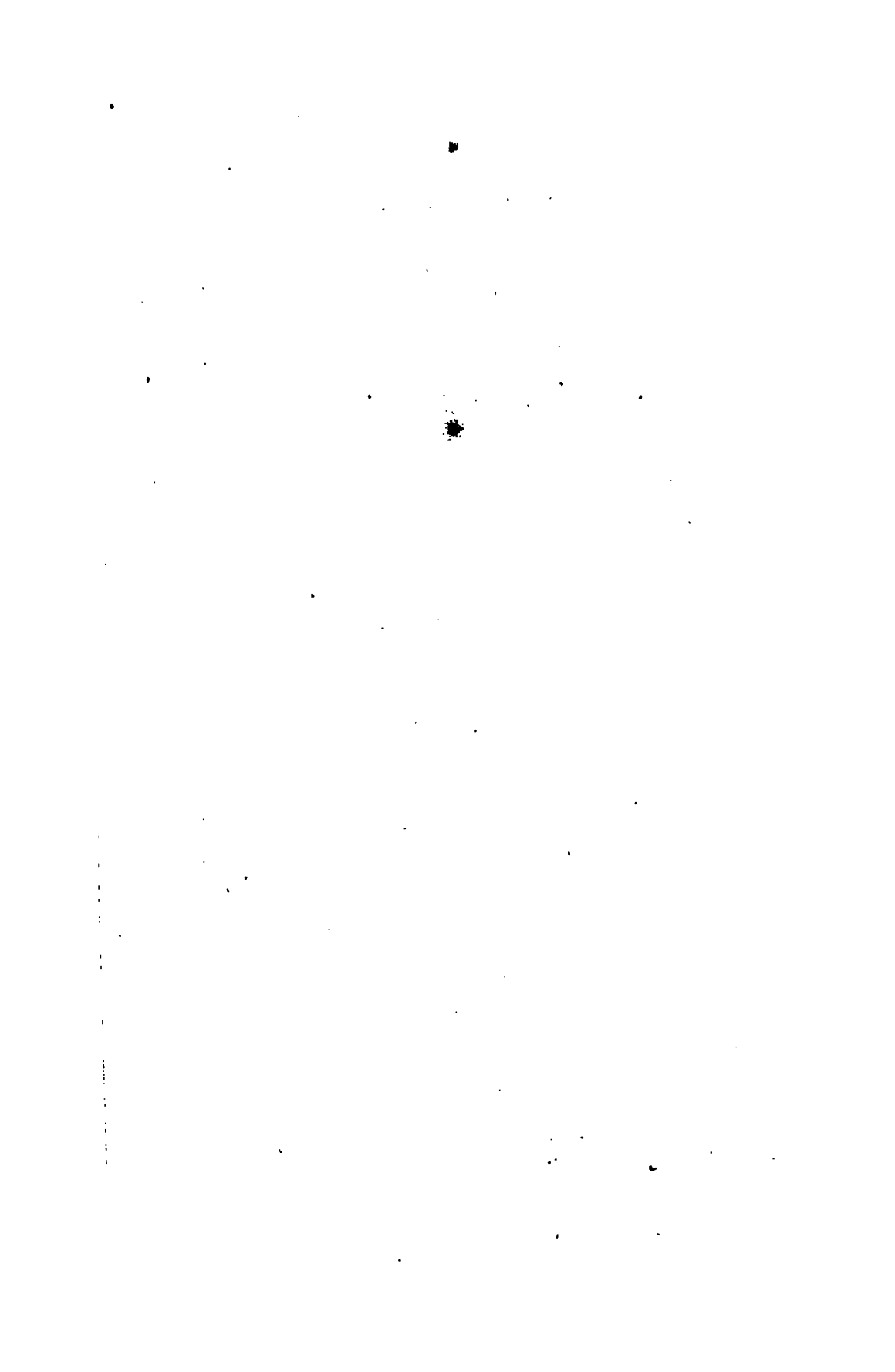
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1. The first part of the paper is devoted to a general discussion of the problem of the existence of a solution of the system of equations (1) for arbitrary values of the parameters α and β . It is shown that the system (1) has a solution for arbitrary values of the parameters α and β if and only if the condition $\alpha + \beta = 1$ is satisfied. In this case the solution is unique and is given by the formula

$$x = \frac{1}{\alpha + \beta} \left(\alpha x_1 + \beta x_2 \right)$$

where x_1 and x_2 are the solutions of the system of equations (1) for $\alpha = 1$ and $\beta = 0$ and for $\alpha = 0$ and $\beta = 1$ respectively.

2. In the second part of the paper the problem of the stability of the solution of the system (1) is considered. It is shown that the solution of the system (1) is stable with respect to the initial conditions if and only if the condition $\alpha + \beta = 1$ is satisfied. In this case the solution is stable with respect to the initial conditions for arbitrary values of the parameters α and β . It is also shown that the solution of the system (1) is stable with respect to the parameters α and β if and only if the condition $\alpha + \beta = 1$ is satisfied. In this case the solution is stable with respect to the parameters α and β for arbitrary values of the parameters α and β .

upon to pay the loan; but the necessity of contracting the currency, which renders the call for payment imperative, depreciates the security an half, when estimated in money: the security is forfeited, and the occupier of a farm and stock worth £1000 is a beggar, in spite of every honest and industrious exertion. The farm and stock is transferred to the holder of the security, the issuer of the paper.

Under such a system all contracts, when estimated in currency, must vary as the winds; and no man can say to-day what will be the extent of his obligations to-morrow. Where is the security to the English landowner in a protecting duty, estimated in paper money, be it 18s. 21s. or 24s. the quarter of wheat, if these amounts, 18s. 21s. or 24s. may in a single month express very different values, and may confer different commands over the produce of labour in England to the possessors? To depend on such a foundation is to leave the land-owners of England to be the sport of chance.

The alarms called panics, and the sudden ebbs and flows of currency, have forcibly arrested the attention of the legislature; and it may be hoped, that the day is not far distant, when the more prominent evils attendant on the mode of providing the currency of the realm will be removed. It is nevertheless clear, that as long as it is in the power of irresponsible individuals to expand and contract the currency at will and pleasure, so long alternate periods of hollow prosperity and real adversity await every holder of property in England.

THE END.

is not contended; but it serves to illustrate the mischievous effects of an over-issue of paper, when there is no real want of currency. The holders of the new currency are also in danger: a day of repayment is not far distant: the currency issued in excess becomes depreciated: a demand for gold, probably in the first instance from abroad, takes place: the issues of paper are speedily contracted by the issuers, and the borrower is suddenly called upon to repay the loan, principal and interest: his security is laid hold of, but the contraction of the currency has reduced the value of his security, when estimated in currency, just one half: the security is forfeited, and the borrower is ruined. How many occupiers of land have experienced this fate, without even knowing the cause of their destruction? The occupier, possessed of a farm and stock worth £1000, is anxious to borrow a loan of capital £1000, for the purpose of effecting some improvement, which he fancies may turn to a good account. He offers the security of the farm and stock, and when paper money is in credit he is sure to obtain his desire, the £1000, in paper money. Every enterprising occupier of land does the same; and the country is saturated with paper money. For a time all things are prosperous, and money-prices are high: the currency is however in excess: a demand for gold takes place, perhaps from some accidental and trifling cause of alarm at home, or a demand from abroad: the issuers of paper are compelled to contract the issues of paper, and to call in all their debts to answer the demands made upon them: the occupier of the farm and stock is called



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THE
APOLOGY
OF AN
ENGLISH LANDOWNER.

J. H. 1827.

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APOLOGY

OF AN

ENGLISH LANDOWNER,

ADDRESSED

TO THE LANDED PROPRIETORS

OF THE

COUNTY OF OXFORD.

BY ONE OF THEM.

Sir Henry Willoughby Bart. of Baldon.

OXFORD,

PRINTED BY W. BAXTER,

FOR J. PARKER; AND J. HATCHARD AND SON, PICCADILLY,
LONDON.

1827.

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THE money-price of corn in England, whether it be at the rate of 50s. 60s. or 70s. the quarter of wheat, is a matter of no real moment to the English landowner, provided all the money-prices of the kingdom are on a similar scale to the money-price of corn, whatever that money-price may be. The landowner derives no advantage from high rents, if the money-price of every object of his expenditure is proportionably increased. The condition of the labourer is not improved when corn is cheap, if the money-wages of his labour are proportionally reduced. Why then is a money-price of a certain amount for corn so indispensable to the interests and even to the existence of the landowner? But because it is impossible at any given moment of time to reduce in the same proportion all the money-prices of England. The interest of the national debt, the well-earned pensions for the performance of public services, and the fund annually provided by Parliament for reducing the public debts, amount nearly to 40 millions of our currency,

(£39,801,031.) This enormous sum must annually be forthcoming, whatever may be the money-price of corn. No one for an instant can contemplate the necessity of breaking faith with the public creditor, an act that would tarnish for ever the fair name and good faith of England. The whole nation has again and again pledged itself to the payment of this claim. If corn is of a high-money price, 80s. the quarter of wheat, ten millions of quarters of wheat are sufficient to meet this demand; if 60s. 13,333,533 quarters; and if 40s. twenty millions of quarters of wheat are required. Rates and taxes do not fall proportionally with the money-prices of corn. Mortgages, annuities, and the various charges of settlements, are fixed payments, calculated in the currency of the country existing at the moment these incumbrances are formed, and must be made good, whether corn is 40s. or 80s. the quarter of wheat. It is true it may be said, that the landowner has no claim to indemnification from the state on account of private incumbrances. The landowner is doomed to suffer for the errors of judgment, that have imposed charges on his lands beyond the means of payment; and if economy cannot protect him, he is ruined. It is clear, that a reduction in the money-price of corn must necessarily affect every man who holds an estate subject to fixed payments. Supposing I have an estate that yields me a rent of 100 quarters of wheat, and when wheat is 80s. the quarter, my rent estimated in money is £400; anxious to improve my estate, or for some family purpose, I

burthen my estate with a mortgage of £4000 at 5 per cent. I accordingly must make over to the holder of the security 50 quarters of wheat annually, when wheat is 80s. the quarter. From some cause or other, wheat estimated in money is now only worth 40s. the quarter; the annual payment of £200 must still be made to the holder of the security; and for this purpose I am obliged to give up my entire rent, the 100 quarters, which at 40s. produces the £200; I am in the mean time completely ruined. Hence arises the necessity that a certain money-price of corn should be secured to the landowner, so far as he can make out a just claim on the public. The average money-price of corn in England for the last ten years, up to 1824, has amounted to 66s. 11d. the quarter of wheat. If this money-price is materially reduced, the landowner is instantly in jeopardy. With means diminished from the decline in the money-price of corn, he is called upon to discharge incumbrances on his lands, which, estimated in money, have experienced no decline. At the period of contracting his engagements he was fully able to pay, but now he is insolvent. There is hardly a landed property in England that is not exposed to difficulty from this cause, when any material reduction in the money-price of corn occurs, whatever may be the cause of that reduction.

The English landowner therefore dreads a reduction in the money-price of corn, and he anticipates this effect in the event of an unrestrained importation of foreign corn. He supposes that

the cost of producing corn abroad is less than in England, and he believes that the foreign grower is exempt from the payment of tithes and many rates and taxes which press on the English landowner, and is able to retain for private purposes a larger available surplus of produce, after all expences of cultivation are paid, than can be done in England, and by consequence can afford to take a less money-price for this larger surplus than is obtained in England, and is considered by the English landowner as indispensably requisite to the performance of his public and private engagements. According to the accounts of the best writers on the subject of corn, it seems that in the event of a free corn trade with the whole world, prices would range from 40s. to 50s. the quarter of wheat, allowing liberally for charges of freight, insurance, &c. It is fair then to suppose, that prices in England would be beat down to this level, by the force of competition. The English landowner anticipates his ruin in such an event, and is therefore most anxious to impose some clogs on what he considers to be an unfair competition.

Granting however that the English landowner is somewhat mistaken as to the cost of producing corn in foreign countries, he dreads the effects of a free trade in corn on the currency of England. Such a trade may seriously affect the currency, by contracting its amount. All large and sudden importations of corn are usually paid for, not in commodities, but in currency. It is difficult to suppose that any adequate demand for the labour

of England could instantaneously arise; such a demand must be gradual, and would require time to grow up, and could not be instantly satisfied. The consequence is, that the corn is paid for in currency, and the currency is contracted in amount; all money-prices therefore fall from this sudden exportation of currency.

The ^ascale of money-prices in England is higher than in any country of the world, and is a necessary consequence of the skill and industry of the manufacturers: this skill shews itself in the formation of numerous manufactures, the objects of desire to all the nations of the world: hence arises a greater demand for commodities from England, than exists in England for commodities from abroad. The balance is made up in currency, which gradually accumulating, increases the amount of currency in England, and establishes a higher scale of money-prices than in foreign countries. This is the real cause why every commodity, corn included, is, when estimated in money, necessarily of a higher price in England than in any country of the world. The advantages of this high scale of prices consist in the power that is thus given over foreign produce. A small portion of English labour, when estimated in currency, commands a large portion of foreign labour, and all foreign commodities are thus obtained at a less cost. A free trade in corn would lower the scale of prices, which would be a real injury to the manufacturer as

^a Vide Mr. Joplin on Corn and Currency.

well as the landowner, Corn must be paid for either in currency or commodities, or in both. In the first and last cases the currency itself is contracted ; and in the second, the demands for commodities at home and abroad are more nearly equalized, and the balance of money payments in favour of this country are reduced. Thus it would seem, that in any case the amount of currency is contracted, and of course the value of the remainder is enhanced. All money-prices therefore fall, including the money-price of corn, so essential to the English landowner. Supposing, therefore, that English corn is not beat down in its money-price by the mere force of competition with foreign corn, a free trade in corn may produce the same effect by contracting the amount of currency in England, an effect equally mischievous to the English landowner, because it occasions a fall of money-prices.

Has then the English landowner a just claim to protection against the unrestrained importation of foreign corn? This is a most important question, and one that every man connected with the soil of England must be most anxious to comprehend; particularly at a period when those laws, under which the agriculturist has carried on his employment, are about to undergo some serious modification, if not a total change.

If the English landowner is a pensioner on the bounty of the public, as is contended by some writers, and only exists on a forced taxation of other classes of the community, he cannot be too soon made aware of the misfortunes of his situ-

ation; and he may be sure that such a position in society cannot be maintained by him for any length of time against the interests of the public. If, on the other hand, he can demand protection, as his clear and unquestionable right, he cannot too forcibly or too openly urge his claim.

To answer my question, I shall commence by asking another. Is the English landowner exclusively taxed? Is the capital that the landowner holds invested in land subjected to burthens that do not press on the capital of the other classes of the community? If this question can be distinctly answered in the affirmative, I contend, that precisely to the extent of the exclusive taxation, whatever its amount may be, the English landowner is entitled, by right and by justice, to an equivalent protection.

All taxation is injurious; it is so much property forcibly extracted from the lawful owners, and placed at the disposal of the state. The establishments necessary to the existence of a good government must however be upheld, in order to obviate greater evils than those of taxation; and it is the first duty of the legislature scrupulously to take care that the required amount of taxation is fairly and equally levied.

Taxation, to be just, must press in a just proportion on the property of all classes of the community: the reason is obvious. If I press more heavily on one class than on another, I alter the relative position of those classes in society: I exalt the one at the expence of the other; I give to one a greater command of the enjoyments and

comforts of life than to the other; I practise a positive injustice on that class exposed to privation in consequence of the partial tax.

There are certain burthens that press exclusively on the capital of the landowner: these are, the land tax, the poor's rate, the county rate, the parish highway and church rates, and (according to the opinion of some of the ablest writers on subjects of political economy, a class not disposed to favour too much the interests of the landowner) the tithes. These burthens are imposed for purposes that concern the comfort and welfare of every class of society, and should either fall equally on the means of the public, or an indemnification should be granted to the landowner. I do not deny that the landowner has been indemnified under the present system of corn laws. I contend, that whatever system is established, this indemnification must be continued.

No one will say it is not of equal importance to every class of society, that there should exist in England a National Church, independent and well endowed; that there should be a legal provision for the aged and impotent; that gaols should be built; that roads and bridges should be kept in repair; and that criminals should be punished. These objects are national, and interest the fundholder, the merchant, and the manufacturer, as much as the landowner. It is necessary to the existence of any state, that provision should be made for such purposes, and the whole property of the public should be equally taxed to meet the expenditure.

In England, the Church is upheld by tithe. The relief of the poor, and the police of the country, are provided for by rates, which fall almost exclusively on the landowner, and for which he alone is responsible.

It is true the landowner, up to the present moment, has not sustained more than his just proportion of these burthens. Where indeed would have been the fairness of taxing the capital of the landowner, to provide establishments that concern the welfare of all? He has never done so; but it is one circumstance alone that has enabled him to maintain his just position in society. He has enjoyed in practice a monopoly of the home market, except in years of scarcity. The consequence is, that he has been enabled to cast on the consumers of corn, that is, the public, a due proportion of taxation, which would otherwise have been unfairly levied exclusively on himself. Thus, in fact, the National Church, the provision for the poor, and the police of the country, have been provided for by an increased price of corn levied on the whole community, the consumers of corn.

The science of political economy explains how the consumers of corn have in fact borne their just proportion of these burthens.

The exchangeable value of the whole crop of corn in England, is regulated by the amount of labour required to produce that portion of the crop which is cultivated under the most unfavourable circumstances: this must be so; for unless the costs of producing corn are in every

case repaid with the average rate of profit on the capital employed, no one under those circumstances would trouble himself to raise corn, but would direct his capital, his labour, and his skill, to some more profitable employment. The cultivation of lands under such circumstances would be discontinued, and the supply of corn would be diminished. The demand continuing the same or increasing, corn must rise in value, until the cultivator is enabled to realize the average rate of profit. The lands in England placed under the most unfavourable circumstances, are those where the soil is of the poorest quality, and is liable to the payment of tithes, and the heaviest amount of poor rates and taxes. If these expences are not repaid to the cultivator by the consumer of corn, corn would not be forthcoming from such lands; there would be no inducement to raise the corn. The cultivator could not obtain the average rate of profit on his capital, and *a fortiori* nothing could accrue to the landowner in the shape of rent. As long, therefore, as the monopoly of the English market is continued to the landowner, so long the consumer of corn in England must be content to bear his just proportion of the expences of upholding the National Church, of providing for the poor, and of dispensing the justice of the country; otherwise corn is not to be had.

Would this be the case in the event of a free trade in corn with the whole world? Would the consumers of corn, that is the community, continue to bear their just proportion of this expen-

diture? I apprehend this could not happen, and that the landowner would find himself exclusively taxed, against every principle of justice and of honour.

What is it that enables the English landowner to exact an indemnification from the consumer? but because he holds the monopoly of an article of absolute necessity and of inevitable demand, until the average price of corn, estimated in the currency of England, is 70s. the quarter of wheat.

Corn is a commodity that must be in continual demand; and unless it is of a certain money-price, named by Act of Parliament, is to be had from the English landowner alone. This money-price, according to that scale of money-prices now obtaining in England, is supposed to include an indemnification to the landowners for all burthens that are imposed on them by the law. The consumer can resort to no other person, and unless he pays a price that in every case covers the cost of tithes and of rates, together with the average rate of profit, corn is not to be obtained under the existing system of restriction. Remove the restrictions on the importation of foreign corn; enable the foreign grower to come unfettered into competition with the English landowner, and the consumer is instantly placed in a new position. He has no abstract predilection for corn, in the price of which tithes, poor rates, and taxes of various kinds, form necessary ingredients. His sole object is to obtain corn with the least possible sacrifice on his own part; that is, to

exchange as small a portion of his own labour or of its equivalent for the quantity of corn he may want, and whether it comes from England, from Canada, or from Poland, is a matter of the most perfect indifference to the consumer.

The landowner, however, is irremediably injured by the loss of his monopoly. As there cannot be two exchangeable values for the same commodity of the same quality in the same market at the same time, beyond the cost of transporting from one place to the other, the exchangeable value of corn in England will no longer be regulated by the cost of producing corn in England; but if the foreign grower is enabled by any circumstance to take less in exchange than the English landowner, it must necessarily follow, that either land in England must cease to be cultivated, or the landowner must yield to whatever reduction in value the foreign grower is enabled to accept, from the superior fertility of the soil, the freedom from taxation, or from any other cause favourable to the production of corn. The English landholder is compelled by law to pay tithes, rates, and taxes; every one of these demands must be fully satisfied before he can touch an iota of the produce of his lands: the portion of produce belonging to the landowner is the remnant, if any, when every demand, during the cultivation of the land, has been fully satisfied; and this portion constitutes the return to the landowner for the amount of capital he holds invested in land. It is true the occupier, who is rarely the owner of the

soil, is made responsible by law for the payment of several of the taxes on the land; but it is clear no one would occupy, unless he was able to meet every expence of cultivating corn, together with the average rate of profit on the capital he employs. He would transfer his labour and capital elsewhere; every deficiency must therefore ultimately be made up out of that portion that had previously belonged to the landowner. His portion is diminished, and, on the poorer soils, may be annihilated. In the first case his rent is taxed, and in the latter the lands remain without value to the landowner. If he appears in the market with his diminished portion of produce, he finds himself compelled to rest satisfied with the same equivalent in labour or in commodities, the results of previous labour, that contents the Canadian or Polish cultivator who had no tithe or poor's rate to pay.

Thus it seems the English landowner is by law compelled to provide for wants that concern the whole community. In the event of a free trade in corn, or of any alteration in the trade which would materially reduce the present exchangeable value of corn, the portion of produce that had hitherto belonged to him would be diminished; and when diminished, it is exposed to an unequal competition with foreign corn, and would command less of the enjoyments and comforts of life. His position in society is deteriorated.

I contend, therefore, that the landowner has a clear and unquestionable right to protection

against all exclusive taxation, in whatever shape it may appear; that this exclusive taxation consists of the land tax, the poor rates, the county rate, the church rate, the highway rate, and the tithes. If the fundholder, the merchant, or the manufacturer, consider that their interests indispensably require a free trade in corn, as a preliminary to such a measure, they must be content to take upon themselves a portion of those burthens that now exclusively press on the landowner. A free trade in corn, according to the arguments of its advocates, must necessarily reduce the money-price of corn in England; and without that money-price, it is impossible that the landowner can obtain that portion of the produce of the land, which has hitherto been secured to him by Acts of Parliament, and without which he can neither fulfil his public nor private engagements.

I shall now make a few observations on those taxes that appear to press exclusively on the landowner; and first, the *land tax*. This tax amounts to £2,037,627 9s. a portion of which has been redeemed by the landowner. This amount was first levied in 1693, at the rate of four shillings in the pound, at a valuation then taken on an estimated rental, and was made perpetual in 1798, with a view to strengthen public credit. This tax, when levied, is carried to the public account, and is expended in providing for wants of the state, that equally concern every holder of property in the country. The tax originated at a period when the landed pro-

perty of England composed the wealth of the country, and presented itself as the most ready source of taxation; the personal property was comparatively trifling in amount, and had not as yet attained that importance it now possesses. The legislature however of that period was aware how unequal it would be to tax exclusively the landowner, to provide for the public exigencies; and accordingly we find at that period, bounties on exportation of five shillings per quarter of wheat, and prohibitions on the importation of corn, unless corn was of a certain price, were established by law. Thus the landowner was protected against the operation of the land tax, which was indirectly paid for by the consumers, in the price they paid for their corn. The landowner paid his share of the tax as a consumer. The landowners of England have been in possession of the home market almost uninterruptedly from that period to 1793, if we except periods of scarcity, as may be seen by referring to the Table of Imports and Exports of corn; and have consequently not suffered from the operation of the land tax. From 1793 to the present year it is true that the imports of foreign corn have generally exceeded the exports; but protection, though the statutes may have been inoperative from the high prices of corn, has constantly been afforded, and, unless corn commanded a certain price, importation could not take place, excepting in years of scarcity.

The amount of *poor rate* levied for the relief

of the poor has exceeded annually^b six millions and an half on an average of ten years from 1815 to 1824. This burthen is a growing and an increasing one, and against which the landowner has a claim to the most liberal protection. The original object of the poor laws was humane and beneficent, to establish a legal provision for the aged and impotent. Since 1795 a new construction of the law, which is countenanced by acts of the legislature, has been recognized in principle, and acted on in practice. It appears that every man born and settled in England and Wales can claim as his right a maintenance out of the produce of the Parish where he is legally settled. This maintenance is granted either in the shape of wages for labour, which may or may not be in demand, or of a weekly allowance. The policy of this new construction may be good or bad, but so long as it exists, the consumers of corn

^a *Vide Parliamentary Reports, 1825.*

	£.	Wheat Corn per qr.	
		s.	d.
1815.....	5,418,845.....	70	6
1816.....	5,724,506.....	61	10
1817.....	6,918,217... ..	87	4
1818.....	7,890,148.....	90	7
1819.....	7,531,650.....	82	9
1820.....	7,329,594.....	69	5
1821.....	6,958,445.....	62	5
1822.....	6,358,703.....	53	0
1823.....	5,772,958	41	11
1824.....	5,734,216.....	56	8

£65,637,282

must be content to bear the burthen in a proportional increase of the prices of corn.

It appears also, that sums of money, amounting nearly to one million and an half^b on an average of ten years from 1815 to 1824, have been raised by rates on lands and houses, for other purposes than the relief of the poor. These sums include the county rate, the parish, highway, and church rates.

The county rate forms nearly one half of the whole. In the year 1823, when county rates were much reduced, the sums levied in England and Wales amounted to £570,000^c. The county rate is levied to provide bridges, gaols, coroners' inquests, weights and measures, the charges of maintaining and prosecuting criminals, and some other minor items of expence. It is of equal importance to all classes of the community that an adequate provision should be made for such purposes.

^b Vide Parliamentary Reports, 1825-6.

1815.....	£1,763,020
1816.....	1,212,918
1817.....	1,210,200
1818.....	1,430,292
1819.....	1,300,534
1820.....	1,342,658
1821.....	1,375,868
1822.....	1,166,533
1823.....	1,148,230
1824.....	1,137,405

£13,287,658

^c Vide Parl. Rep. *County Rate*, 1825-6.

The expense of criminal prosecutions has of late much increased; more particularly in that class of offences which relate to attacks on personal property: an Act of the last year has extended the power of granting costs to a new class of cases^d; a beneficial extension of the power, but one for which the property of the public should equally be taxed. The repair of churches and roads, and the building of bridges, are necessary to the comfort and convenience of the public. The landowner has therefore a just claim to an indemnification from the public, the consumers of corn, for every rate that is levied on the land for public purposes.

The question, as regards the tithe, is more complicated; but as the amount of protection, to which the landowner is intitled, much depends on a correct understanding of this question, an endeavour must be made to trace the operation of tithe.

The right of the Church to a tenth of the gross produce of lands that are titheable is as clear and as unquestionable as the right of the landowner to his lands; both claims rest on the same foundation, the law of the land: if there is a preference it is in favour of the Church, from long and uninterrupted possession.

The danger of the landowner arises from the possibility, that the introduction of a new system in the corn trade may cast on him exclusively the burthen of tithes, which has hitherto been

^d The cases of misdemeanors.

sustained by the consumers of corn. The tithes, so long as the trade in corn is restricted, appear to operate like any other tax on raw produce, and falls on the consumer in an increased money-price of corn.

The exchangeable value of the whole crop of corn in England is regulated by the cost of producing that portion of corn which is grown under the most unfavourable circumstances. If these costs are not repaid with the average rate of profit on the capital employed, there could be no inducement to raise the corn. The cultivator will not take less than the average rate of profit on his capital: the landowner, if there is not a surplus accruing to him in the shape of rent, would not invest his capital in land; or if his lands came to him by descent or bequest, he would not place them under cultivation. If however he could obtain the average rate of profit on capital, he might be induced to become the cultivator, and would raise corn: but assuming this rate of profit cannot be obtained, the land remains uncultivated, the supply of corn becomes more limited than the demand, and the exchangeable value of corn rises. The landowners of England possess this power of limiting the supply, until the exchangeable value of corn rises to a certain amount in the scale of prices, which amount is fixed by law, when foreign corn may be imported. Tithe is one of the circumstances unfavourable to the production of corn: it is equally taken from the poorest as well as the richest soils, and consequently enters as an

item into the cost of producing that portion of corn which regulates the exchangeable value of the whole crop. This exchangeable value, under a restricted system of corn trade, must be admitted by the consumer, or corn is not to be obtained in England.

Suppose there is no tithe levied, and that, according to the present scale of money-prices in England, 60s. the quarter of wheat is an exchangeable value estimated in the money of England, and which may be called the money-price, that yields to the cultivator of the worst quality of land under the plough the expences of cultivation, all rates and taxes, the average rate of profit on the capital employed by the cultivator, but very little, if any, rent; but say one shilling the acre; so long as wheat is 60s. the quarter, this land will continue to be cultivated. The cultivator has his inducement in the return he has for his labour and capital. The landowner has also his inducement, though but a sorry one, in the one shilling per acre, as the remuneration for the capital he holds invested in land.

Suppose now a tithe is levied on every quality of land, the price of corn must rise to 66s. per quarter, if the lands above described may remain in cultivation; if the price continues at 60s. or even rises to 64s. it is clear, that not only the supposed rent of the landowner, but a portion of the profits of the cultivator, is annihilated: no inducement to cultivate would exist, and the corn would not be grown, and no tithe would

be paid: under the restrictive system corn must inevitably rise to the price of 66s. and then the cultivation is resumed.

Under a free trade in corn, no such remedy exists. The English landowner must then take whatever money-price contents the foreign grower. The power of limiting the supply, and raising the exchangeable value, is gone. His lands, therefore, must cease to be cultivated, if of the last and poorest qualities; and in all the higher qualities of land, a reduction of that portion of produce that had previously fallen to the share of the landowner must be submitted to. Thus the tithe now falls on that portion of produce that formerly constituted rent, and becomes a positive deduction from the rent of every tithed landowner in the kingdom, and is as unjust towards him, as an exclusive tax levied on the funds, and carried to the public account, would be unjust towards the fundholder.

‘ There is a common opinion concerning tithe, that it is a deduction from rent, which has always existed, and for which the landowner has no claim to protection. It is said, the landowner inherits or purchases his lands, subject to the condition of paying tithe. It is true, IF the land is cultivated, tithe must be paid; but no landowner will place his lands under cultivation, unless the money-price of the produce of the

‘ Mr. Ricardo allowed the claim of the landowner to protection on the ground of tithe to be just and fair, and that it operates as a bounty on the importation of foreign corn, to the prejudice of the English landowner. p. 230. cap. *Tithe*.

nine-tenths fully covers every expence of cultivating the whole, and that something in the shape of rent remains to the landowner, which constitutes the inducement to place his lands in cultivation.

Two circumstances favour the notion, that tithe is a deduction from rent: one is, that an acre tithe-free yields a greater rent than one titheable. This is the fact. The whole produce being greater than the nine-tenths, it follows, that after every expence is paid by the cultivator, a larger available surplus for the purposes of rent remains behind, to be delivered over to the owner of the tithe-free acre. The tithed landowner also requires a high money-price of corn from the consumer, because a tenth of the gross produce is claimed as the due of the Church. There cannot be two money-prices in the same market for the same commodity, and the untithed landowner is enabled to obtain from the consumer the same money-price that the tithe has rendered indispensable to the tithed landowner. Thus the untithed landowner obtains a greater surplus than the tithed landowner, and the same money-price for that surplus without deductions, having no tithe to pay.

It is also said, if tithe was abolished, the only consequence would be, an increase of rents. Supposing the legislature continued a protection that was granted on the ground that tithe operated as a bonus to the foreign grower, this would undoubtedly be the case; but then the English landowner, having no claim to protection on this

ground, the protection would be withdrawn: the foreign grower would come into fair competition with the English landowner, and compel him to reduce the money-price of corn to its just level.

I admit, it is doubtful, whether the tithed landowner has ever been enabled to cast the entire amount of the tithes on the consumers of corn. All the lands in England are not titheable^d; a proportion, perhaps one third, is tithe-free. The portion of corn grown on lands tithe-free may fairly be said to have influenced the exchangeable value of the whole crop of corn, as well as that which is grown on lands titheable, and that the real effect of tithe on the exchangeable value of corn depends on the proportion of corn tithed to corn untithed, that is brought into the markets of England and Wales.

The untithed corn comes into competition with the tithed corn, and may somewhat reduce the price of corn in England. This reduction of price, whatever it may be, falls on the rent of the landowner, who has been unable to cast this portion of the amount of tithe on the consumer; and so far tithe may be considered to operate as a deduction from rent.

If tithe cannot be considered as a deduction from rent to any great extent, but rather as having constantly formed a portion of that price that has been hitherto paid by the consumers of corn, it follows that the landowner is entitled to protection, so far as is practicable, from any changes in

^d Vide Enc. Brit. art. *Tithe*.

the corn laws that would cause a material reduction in the present money-prices of corn. Such reduction may cast on the means of the landowner exclusively a burthen that has been in a great measure sustained by the consumers of corn. As a consumer, the landowner contributes his quota, and it would be an act of injustice to exact more. He is deeply interested in maintaining the independence, and providing for the support, of the National Church; but not more so than every other class of the community.

The amount of exclusive taxation falling on the landed property of England, may be fairly taken at sixteen millions of the present currency. This estimate is below the average of those calculations that have been made. The annual growth of corn in England and Wales may be estimated at thirty-six millions of quarters; deducting one seventh for seed, and a portion for corn consumed by the cultivator in the producing of corn, and on which no profit can be derived in the markets of England, twenty-nine millions of quarters might be considered as the quantity of corn annually exchanged for money or other commodities in the markets of England and Wales. Estimating that one-third of the gross quantity is wheat, (though this proportion is too high,) one-third rye, barley, and beans; and one-third the other species of corn; (though this proportion may be too low;) it follows, that if the consumers of corn had uniformly paid a money-price for corn in England, exceeding the money-price of foreign corn by 18s. the quarter

of wheat; by 9s. the quarter of rye, barley, and beans; and by 6s. the quarter of any other species of corn; the landowners of England would have derived no private advantage from the exclusive possession of the home markets. The amount of exclusive taxation, the annual expenditure of the sixteen millions, would be provided for: but so far from the English landowner having levied a tax on the public for his particular emolument, the amount of burthens borne by him on the public account is barely replaced.

Admitting that the English landowner is entitled to protection against all exclusive taxation, the next question is, as to the mode in which it should be afforded. The mode is not of much importance to the landowner, provided his interests are fairly protected.

The eager advocates of free trade in corn have however interposed one obstacle to the adjustment of this question. The arguments urged by them have such opposite tendencies, and are so contradictory, that there is no wonder that jealousy and suspicion enter the minds of the landowners. The labourer is told, that if corn was cheap, provisions would fall in price; but nothing is said about a fall in the wages of labour, which however would necessarily follow. The employer of capital is informed, that the price of corn being reduced, the wages of labour must fall, and the profits of capital must rise. Meanwhile the landowner is informed at one moment, that if the trade in corn was as free as the air we breathe in,

no land would be thrown out of cultivation ; that the prices of corn at home and abroad are nearly on a par : and at another time, that it is the bane of England that her poor lands have been unnaturally forced into cultivation. Amid these various contradictions, the landowner is apt to suspect that the real object is to reduce the price of corn, and to fear that such reduction may prove his ruin. He therefore may justly dread any attempt to change the present law.

The landowners, trusting to the honour and good faith of the legislature, would object to no real improvements in the system that extends to them protection. This might either be effected by modifying the law now in operation, or by recurring to a system of protecting duties. To the latter mode there are various objections: a constant and invariable protecting duty would be impracticable; for what might be a fair and equal duty against one country, might be unfair and unequal as against another. Attempts have been made to shew, that the facilities of exporting corn to this country, including the expences of freight, &c. are nearly the same in all countries of the world*. This may be fairly doubted; and if protecting duties are established, a scale of duty must be framed, adapted to the facilities of growing corn produced by each particular country.

The great object of protection is to prevent supplies of corn from being forced into the markets

* Vide Mr. Jacob's Report.

of England, when the home supply is adequate to the demand at moderate prices. The injurious effect of such forced supplies endures for years, and would cause so much land to be thrown out of cultivation, and so great a destruction of agricultural capital, that in periods of general scarcity, future deficiencies might not be made up either at home or from abroad, and the government of the country would have to deal with a starving population. It is not clear that a protecting duty would attain this end. Corn is a commodity of a perishable nature; and if not in demand in the country where it is grown, would probably seek a foreign market at any hazard. This quantity, however small, though perhaps only equal to the consumption of a week, would have a powerful effect on the money-price of corn. The supply of corn is greater than the demand: the holder of corn who is contented to make the greatest reduction in price regulates the whole market. The money-prices of corn suddenly fall, and the landowner is in difficulty. In periods of scarcity the protecting duty is at once repealed.

It would be perhaps safer to modify the law of 1822. The chief objection to this law is, that the import-price is placed too high, with a reference to the average money-prices of corn in England. The currency of England has risen in value; and 65*s.* in 1826 may prove the same security against importation as 70*s.* in 1822. The average price of wheat in England and Wales for the last ten years has been 66*s.* 11*d.* and it may be assumed, that this money-price would

fairly protect every interest now embarked in agriculture in England and Wales, and would prevent any serious mischief to the agriculture of this country.

The periods of time also, on which the average prices of corn are now calculated, might be shortened. Under the law of 1822, prices may continue for a considerable time, on a scale much beyond that which permits importation, before foreign corn can be introduced ; this is contrary to the spirit and intention of the law, and is only productive of fluctuations in price of no real benefit to the landowner. All regulations that insure steadiness of price are of advantage to the landowner. Fluctuations only produce speculations, which rarely benefit the landowner, and have often proved his ruin.

If once it is admitted that a portion of the subsistence of the public is to be drawn from foreign countries, it is of importance, as far it is practicable consistently with the interests of the English landowner, to derive that portion from as extended a market as possible, and to give the foreign grower every possible facility of ascertaining the probable demand of England. When a real demand exists, the supply is more likely to be forthcoming ; the abundance of one country is more likely to be brought to make up the deficiency of another ; and the best remedy is applied to anticipate the failure of seasons, and to prevent unsteadiness of prices. It is the interest of the English landowner to remove every unnecessary fetter on the foreign trade in corn. Since

1791 a portion of the subsistence of the public, though but a very small portion, has been annually, with the exception of three or four years, drawn from abroad. The imports, with a very few exceptions, have exceeded the exports. The period seems to have arrived, when, from the rapid increase of our population, the vast progress of manufactures, and the comparative want of fertile soils, it has become necessary to resort annually to the foreign grower for a portion of our corn. This country might greatly increase the growth of corn, but the constantly increasing cost of producing corn in England, from the inevitable necessity of resorting to poorer soils, raises a question as to the policy of pressing cultivation to an extreme extent. The foreign grower therefore is likely to come annually into competition with the English grower; and it is this circumstance that renders protection more than ever indispensable to the English landowner. Since 1791 he has enjoyed protection, though at periods of scarcity it may have been suspended, and at other periods the law from high prices may have been inoperative.

The landowner is well aware, that a restricted trade in corn in England necessarily increases the money-price of corn to the consumer; if it were not so, he could have no anxiety on this question. He is not insensible to the evil effects that flow from an extravagant price of corn; but whence arises the necessity that corn should be dear in England? that the consumer should be compelled to purchase his subsistence at a greater

sacrifice than if he was resident in a neighbouring country? does it arise from the avarice and rapacity of the landowner? or is it not rather a necessary consequence of the unequal pressure of taxation in England? The English landowner does not maintain, as an abstract proposition, that "dear corn is better than cheap," but he contends, that as long as the State exacts from him so large a portion of the produce of his lands to maintain establishments that concern the welfare of the whole community, so long the consumers of corn must be content to bear their proportion of these burthens, and that this can only be effected by an increase in the money-price of corn,

Taxation, whether it presses exclusively on landed property, as tithe or poor's rate, or whether it operates on all property as a general excise, produces precisely the same effect on the production of corn, as if by some dispensation of Providence the land of England was rendered less fertile; the cost of producing corn in the markets of England is increased. Can it be supposed, that the assignment by the State of so large a portion of the produce of the land to satisfy the demands of the Church, of the poor, and of the police of England, can be done without affecting the interests of the consumers of corn? Every man that is born in England and Wales is doomed to contribute his quota in labour, or in capital, the result of some previous labour, to satisfy the demands of the State. It unfortunately happens, that the aggregate amount

of these demands in England is immense. The national creditor alone has a tremendous lien, to the extent of thirty-two millions of our currency, on the industry and exertions of every individual in the State. The establishments necessary to the welfare of England must be supported. I have endeavoured to shew that the English landowner is exclusively responsible for the maintenance of several of those establishments, and that on this ground he has a fair and just claim to indemnification from the other classes of the community.

It is true, that it is not in the power of the legislature to secure to the English landowner a fixed money-price of corn, be it 50s. 60s. or 70s. the quarter of wheat. Fluctuations are inevitable, and sometimes depend on causes over which the legislature has no direct control; the utmost that can be done is to close up, as far as may be practicable, some of the sources of fluctuation. Such is the effect of any enactment to prevent the English corn market from becoming the sport of every fluctuation in the money-price of corn that may occur in foreign countries. The casual abundance of a foreign market suddenly thrown into England, when no real demand for corn at a moderate price remains unsatisfied, might occasion a ruinous depression of money-prices. The regulation of a moderate import-price, with a scale of duty, has a tendency to produce steadiness of money-price; it forms a limit to the importation of corn when the abundance of the home supply may render it unnecessary; and

when corn is in demand, the operation of the scale of duty prevents an excess of supplies: the money-price of corn is thus kept tolerably steady. Some fluctuation is not to be avoided; the money-price of corn varies according to the productiveness of seasons, which influence the supply. The power of purchasing, which constitutes the real demand, greatly depends on the state of commerce and manufactures. In England it is owing to the vast skill and prosperity of the English manufacturers that a high money-price can be given for corn; and if that prosperity is checked by any accident, the power of giving a high money-price for corn, or for any other commodity, is diminished. This circumstance alone is sufficient to shew that the interests of the landowners and manufacturers are not opposed, but the same. The landowner requires a high money-price, and without the prosperity of manufactures that high money-price cannot be obtained. It is not a conclusive argument against the establishing of an import-price, to prove that fluctuations have existed under such a system. It is contended, however, that the existence of an import-price is the main source of fluctuations, and this reasoning is supported by a reference to the Corn Law of 1815. The law of 1815, however, was founded on a vicious principle; it permitted a change from a state of complete prohibition to one of unlimited importation. The import-price of 80s. was too high under any circumstances, but more particularly when the return to cash payments had received the sanc-

tion of Parliament, a measure which necessarily reduced the money-prices of all commodities, by contracting the amount of the currency, and enhancing the value of the remainder. The trade in corn once opened, there was no scale of duty framed to check importation when no longer necessary, which might continue under any depression of price, long after the real and effective demand for corn had ceased. The consequence was, the money-prices of corn passed from a very high price to a very low price, and caused great distress to the landowners. The law of 1822 was a great improvement on that of 1815. The import price was lowered to 70s. and a scale of duty, rising with the depression of money-prices, was enacted. This law, I believe, has never been in operation, except as to some warehoused barley in 1822, until recently, and now not as regards wheat. The principle of this law seems to be good; but it may be questioned whether the import-price is not still placed too high, with a reference to the average money-prices of corn in England. The currency of this country since 1822 has been contracted, and consequently increased in value: and there does not seem to be any reason why the import-price should exceed the average price of corn in this country, which for the last ten years has not exceeded 67s. The object of the corn law is not prohibition, but the regulation of importation, when a portion of the subsistence of the public is to be obtained from abroad, and to obviate

any serious evils that might arise to the English landowner from a sudden fall of money-prices.

Would an unrestrained importation of foreign corn be a permanent and unmixed advantage to the English manufacturer? The affirmative of this question is generally assumed, though it would seem to be not wholly devoid of doubts. No one would deny, that if the ports were open to a free trade in corn, a considerable stimulus would be given to the general commerce of England: for a time this must necessarily happen: a demand for English commodities would gradually arise, which would cause a demand for labour; labourers would be in demand, and for a time might get good wages: marriages might be still more prevalent than they are at present; and our population might increase. But this demand for labour would not last long: any vacuum that might be found to exist, would quickly be filled up by a rush of labourers from the sister country, the grand repository of legs and arms; and with a more numerous population we should be, in a very short space of time, exactly as we were. The continued importation of corn would act on the currency, so as to contract its amount in England; the scale of prices would fall in England; and consequently our power over the produce of foreign countries would be diminished. This would be of itself a great and serious evil to all classes of the community, manufacturers as well as landowners.

If, in consequence of the increasing cost of

raising corn in England, it is decided to draw any large portion of the subsistence of the public from abroad, granting that every facility is given to the trade in corn, it is by no means clear that the money-prices of corn would be more steady than at present. The transport of corn is exposed to many vicissitudes; and the power of exporting corn in foreign countries might rest on the arbitrary will of a sovereign, or on the tender mercies of the finance minister of a foreign country, who would never hesitate to lay a tax, if he thought the English could be compelled to pay it.

The manufacturers of England have rendered good service to the state; they have enabled her to support a load of taxation, that otherwise would have been intolerable; and they have placed within the reach of the humblest member of the society a variety of the comforts and conveniences of life. Any one, who feels interested in the welfare of England, cannot fail to view with astonishment, mixed with some slight alarm, those vast masses of population engaged in manufactures. The demand for many of these manufactures rests on no real want of mankind, but depends too often on the changing fashions of civilized countries, and sometimes even on the caprices of savages: and though much may be yielded to the industry, to the freedom, and to the natural advantages of England, the fear of competition is not altogether idle. The question, whether manufactures are to be encouraged or not has long been disposed of; but it is a fair

consideration of policy, whether their progress should be accelerated at all hazards, when the future comfort and the permanent well-doing of an increased manufacturing population are neither so clearly pointed out, nor so well provided for, as a real well-wisher to this country might desire.

All attempts of the legislature to render a just protection to the English landowner may be entirely defeated by the fluctuations in the amount and value of the currency, to which the holders of property in this country have been so often and so fatally exposed.

The evils of the system that regulates the English currency have been frequently most ably^f pointed out, and most accurately traced from their sources. The landowner, however disinclined to enter on such investigations, cannot yield too much attention to this important subject. The unsuspecting confidence, and sometimes the ignorance, of the landowners and occupiers of land have caused them to suffer more than any other class of society from changes in the value of the currency, and it is to be apprehended they have not yet experienced the full effects of a mischievous system.

It will be granted, that the currency, which is intended to regulate the money-contracts of society, should be as invariable in value as it can be made; no exertions should be spared to this end. Paper money, because it is cheaper, and is obtained at a less cost of labour than the precious metals, forms the great mass of the currency in England, and answers every purpose of currency just as well as

^f Vide Mr. Joplin, *Corn and Currency*, 1826.

gold and silver, provided the quantity of paper issued is effectually limited to the real want of currency, which is necessary to circulate the commodities in England on the then existing scale of money-prices. With this proviso it matters not whether this quantity of currency is composed of gold or silver, paper or cowries. Precious metals cannot be obtained without a vast sacrifice of labour. Gold and silver must be purchased and paid for in valuable commodities; paper and cowries may be had for very little labour; and by the use of the latter money the nation gains the difference in labour, or in commodities produced by labour, which may be employed to supply any other want of the community.

The royal prerogative of coining the precious metals has been uniformly exercised under the direct control of the ministers of the Crown from the earliest periods of our history. In 1797 it was for the first time declared by law, that pieces of stamped paper should not only represent a quantity of the precious metals, but should usurp their place. From that moment the issuers of paper in England possessed the power of increasing and contracting the amount of currency, and of raising and depressing the money-prices of all commodities; in fact, the prerogative of coining. One would have expected to find the most anxious and most jealous regulations imposed on the exercise of this new and dangerous power, which includes a dominion over the fortunes and properties of every Englishman. No laws or safeguards should have been spared to control the exertion of this new privilege within its due and

proper limits. But how stands the fact? It has been declared by a leading minister of the State*, that there is not a cobbler or a cheesemonger who may not usurp the royal prerogative of coining at his own will and discretion, unfettered and uncontrolled. One thing it is true is necessary to insure success; he must find out some confiding and unsuspecting neighbours to take his pieces of paper in payment. Calamities have proved that individuals possessed of no property whatever have issued currency to an enormous amount.

The groundwork of currency in England is paper money issued in the country. This is the paper that chiefly regulates the money-prices of commodities, and passes as money in all the markets of England, with the exception of those districts under the monopoly of the Bank of England. To the quantity of this paper there are no sufficient checks. It is true there is a liability to pay the smaller notes in gold on demand. This however does not operate as an adequate check to over-issues, except during periods of alarm and distress, when the sudden demand for gold aggravates the existing evils, by compelling new contractions of the amount of paper. Paper is found by the great mass of the holders, who do not look much before them, to answer every purpose of currency as well as gold, and is more convenient; and having been used as currency for a length of time, a confidence not easy to be shaken is produced from habit. The discretion of the issuers may sometimes operate as a check, but this is biassed

* Vide Parl. Deb. on Country Banks.

by the interest of the issuers, which teaches them to push as far as they can the circulation of their paper, on which an interest is derived, provided their own safety is undoubted. The issuer of paper in a small district has no means of obtaining an accurate knowledge of the want of currency in England ; his attention is exclusively directed to his immediate district ; his object and his business is, not to regulate the currency of England, but his own interests ; when applied to for a loan of paper money, he does not stop to enquire whether the currency of England is in excess or in deficiency, but whether the borrower is bona fide possessed of so much property as shall secure to himself the repayment of the loan required, principal and interest. If there is a demand for paper money, and there is an adequate security, the money is quickly forthcoming, and is issued, not with a reference to any want of currency, but because there is a demand for capital made by some individual who can offer security. As long as paper-money is in credit, and there is a demand for capital, which in an enterprising country like England rarely fails, there seems to be no reasonable limit to the issue of country paper.

The amount of country paper in circulation has fluctuated most extensively. It is however very curious, that on a subject of such extreme importance to the welfare of the public, there does not seem to exist any authentic document by which the amount of country paper in circulation at any given period of time can be correctly ascertained. The fluctuations in amount may be guessed at, from the varying demand for stamps made by bankers in the

country^s. In the account annexed it is seen, that the demand for stamps in 1816 was nearly doubled in 1818; and in the following year, 1819, the demand was contracted more than one half, and in 1820, more than two thirds. The money-prices of corn appear to have maintained a proportion to the amount of country paper in circulation, which strengthens the suspicion of the influence of country paper on the money-prices of the kingdom.

Thus the currency at one time is issued in excess, and at another there is a deficiency, and no reference is made to the real want of currency. The consequences of these fluctuations are most disastrous to the holders of property; to all those who have a claim on the produce of labour, whether arising from their own exertions, or the exertions of others.

Years.	Annual demand of Stamps by Country Bankers. £.	Price of Wheat per qr. s.
1810.....	10,517,519.....	105
1811.....	8,792,433.....	93
1812.....	10,577,134.....	125
1813.....	12,615,509.....	107
1814.....	10,773,375.....	74
1815.....	7,624,949.....	64
1816.....	6,423,466.....	75
1817.....	9,075,958.....	94
1818.....	12,316,868.....	83
1819.....	5,640,313.....	72
1820.....	3,574,894.....	65
1821.....	3,987,582.....	54
1822.....	4,217,341.....	43
1823.....	4,657,589.....	51
1824.....	6,093,367.....	62
1825.....	8,755,307.....	68

Suppose that the mass of commodities in England, and the amount of currency required to circulate this mass at the present scale of money-prices, are represented each by the number 100. Enterprising men however, anxious to promote their different schemes of improvement, occasion a demand for capital, and to such an extent that a fresh issue of paper takes place, which enters into the circulation and becomes currency, until the amount of currency is doubled. The currency is now represented by the number 200. No one will contend that the mere act of issuing this addition of paper can add a single iota to the produce of the country. The amount of currency being doubled, and the quantity of commodities remaining the same, it follows that the money-prices of all commodities are doubled. The holders of the original amount of currency, the 100, can now only obtain one half the quantity of commodities they would have commanded previous to the doubling of the amount of currency. They have lost one half of their command over the produce of labour, by an act against their interest and beyond their control. The command of the other half is transferred to the holders of the new currency, by the issuers of the paper, who have no right whatever to make the transfer: and thus, without the exercise of one act of industry, the holders of the new paper, by a few strokes of the pen, are put in possession of half the produce of labour in the country. The gross injustice of this operation is evident. That an actual transfer of command over the produce of labour has ever taken place to the extent supposed

is not contended ; but it serves to illustrate the mischievous effects of an over-issue of paper, when there is no real want of currency. The holders of the new currency are also in danger : a day of repayment is not far distant : the currency issued in excess becomes depreciated : a demand for gold takes place : the issues of paper are speedily contracted by the issuers, and the borrower is suddenly called upon to repay the loan, principal and interest : his security is laid hold of, but the contraction of the currency has reduced the value of his security when estimated in currency, just one half : the security is forfeited, and the borrower is ruined. How many occupiers of land have experienced this fate, without even knowing the cause of the destruction ? The occupier, possessed of a farm and stock worth £1000, is anxious to borrow a large capital £1000, for the purpose of effecting an improvement, which he fancies may turn to his account. He offers the security of the farm and stock, and when paper money is in credit he obtains to obtain his desire, the £1000, in paper money. Every enterprising occupier of land does the same, and the country is saturated with paper money. For a time all things are prosperous, and market prices are high : the currency is however in excess : a demand for gold takes place, perhaps from an accidental and trifling cause of alarm at home, or a demand from abroad : the issuers of paper are compelled to contract the issues of paper, and to call in all their debts to answer the demands made upon them : the occupier of the farm and stock is ruined.

upon to pay the loan ; but the necessity of contracting the currency, which renders the call for payment imperative, depreciates the security an half, when estimated in money : the security is forfeited, and the occupier of a farm and stock worth £1000 is a beggar, in spite of every honest and industrious exertion. The farm and stock is transferred to the holder of the security, the issuer of the paper.

Under such a system all contracts, when estimated in currency, must vary as the winds ; and no man can say to-day what will be the extent of his obligations to-morrow. Where is the security to the English landowner in a protecting duty, estimated in paper money, be it 18*s.* 21*s.* or 24*s.* the quarter of wheat, if these amounts, 18*s.* 21*s.* or 24*s.* may in a single month express very different values, and may confer different commands over the produce of labour in England to the possessors ? To depend on such a foundation is to leave the landowners of England to be the sport of chance.

The alarms called panics, and the sudden ebbs and flows of currency, have forcibly arrested the attention of the legislature ; and it may be hoped, that the day is not far distant, when the more prominent evils attendant on the mode of providing the currency of the realm will be removed. It is nevertheless clear, that as long as it is in the power of irresponsible individuals to expand and contract the currency at will and pleasure, so long alternate periods of hollow prosperity and real adversity await every holder of property in England.

THE END.

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